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OVERVIEW OF PROGRAM

The USAID/Mexico Economic Policy Program (MEPP) began operations in May 2013. Its mission is to improve Mexican private sector productivity and competitiveness by supporting Mexico's efforts to strengthen public sector economic governance. MEPP seeks to improve governance through: (1) Policy change: laws, regulations, program rules and design, and transparency; and (2) Organizational capacity-building: promoting best practices in operating procedures and information access, and human capital development.

The Mexico Economic Policy Program promotes six over-arching policy outcomes. On one hand, economic outcomes depend on numerous exogenous factors that foreign technical assistance cannot change. On the other hand, key Mexican institutions have a major impact on those outcomes, and can themselves be strengthened by carrying out reforms assisted by technical assistance. In this regard, MEPP promotes the implementation of substantive reforms and improved practices within the governmental institutions and organizations that have the most direct impact on achievement of the following economic outcomes.

Outcome 1: Government funds promote private sector development and productivity. MEPP supports reform of rules and regulations that govern public sector spending programs, especially those that promote business start-up, growth and innovation, to improve transparency and effectiveness of government investments.

Outcome 2: Businesses face fewer obstacles to growth. MEPP produces specific proposals that make regulations affecting business start-up and operation more transparent and less costly. Proposals will focus on governance change at the national, state, and municipal level.

Outcome 3: Competition is improved. MEPP supports public sector actions that level the playing field in a given market. Our work strengthens regulations and institutional capacity to improve the accountability of corporations that possess the capacity to engage in rent-seeking behavior, and to reduce barriers to entry for new competitors, especially in markets in which collusion is common.

Outcome 4: SMEs have greater access to private capital. MEPP produces proposals to modify rules and regulations of key financial sector institutions to improve the incentives and ability of small and medium-sized enterprises to attract private investment.

Outcome 5: Business transactions are more efficient and reliable. MEPP proposals seek to modify regulations and judicial processes that impose costs on businesses that are pursuing larger economic transactions, as well as those trying to resolve claims and disputes with other firms or organizations. The reforms will increase the transparency and reliability of government institutions, while reducing the time and expenditure required to undertake business transactions.

Outcome 6: Citizens have greater access to public information. MEPP works with the Office of the Presidency to develop and launch mobile applications that increase the quality and quantity of governmental information available to individuals, NGOs and the private sector. Creation of mobile apps supports the federal government's commitment to improve public sector transparency and transactions between government agencies and citizens.

LIST OF ABBREVIATIONS

AMSDE	Mexican Association of State Government Development Secretaries
BANCOMEXT	Mexican Export Bank
BANXICO	Mexican Central Bank
BMV	Bolsa Mexicana de Valores (Mexican stock market)
CFCE	Federal Economic Competition Commission
CIDAC	Center of Research for Development
CIDE	Center for Research and Teaching in Economics
COFEMER	Federal Commission for Regulatory Improvement
CNA	National Water Commission
CNBV	National Securities and Banking Commission
CONACYT	National Science and Technology Council
CONAFOR	National Forestry Commission of Mexico
COP	Chief of Party
COR	Contracting Office Representative
CRE	Energy Regulatory Commission
EPU	Economic Productivity Unit (Ministry of Finance)
FAA	Foreign Assistance Act (United States)
FLACSO	Latin American School of Social Sciences
FONDES	Social Development Fund (of Mexico City)
FY	Fiscal Year
GDF	Gobierno del Distrito Federal (Mexico City government)
GDP	Gross Domestic Product
GoM	Government of Mexico
IDB	Inter-American Development Bank
IFECOM	Federal Institute of Bankruptcy Specialists
IFT	Federal Telecommunications Institute
IMCO	Mexican Institute for Competitiveness
IMPI	Mexican Institute for Industrial Property
INADEM	National Entrepreneurship Institute
INECC	National Institute of Ecology and Climate Change
INEGI	National Institute of Statistics and Geography
ITAM	National Autonomous Technological Institute
MFI	Microfinance Institution
NAFIN	Nacional Financiera (Mexican national development bank)
NGO	Non-Governmental Organization
NOM	Official Mexican Standard
PEI	Innovation Stimulus Program (under CONACYT)
PMP	Performance Monitoring Plan
PROMEXICO	Investment and Export Promotion Agency
RUG	Registro Unico de Garantias Mobiliarias (Non-real estate guarantee registry)
SAGARPA	Ministry of Agriculture, Cattle, Rural Development and Fisheries
SBA	Small Business Administration (United States)
SE	Ministry of Economy
SEDECO	State Development Secretary

SEDESOL	Ministry of Social Development
SEMARNAT	Ministry of Environment and Natural Resources
SENER	Ministry of Energy
SFP	Secretaría de la Función Pública (Ministry of Public Administration)
SHCP	Ministry of Finance
SME	Small and Medium Enterprise
SRE	Ministry of Foreign Affairs
UAM	Metropolitan Autonomous University
UNAM	National Autonomous University of Mexico
UNDP	United Nations Development Program
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
WB	World Bank
WEF	World Economic Forum

A. TECHNICAL PROGRESS TOWARD POLICY OUTCOMES

The end of the second quarter of FY 2014 also closes the first full year of operations of the Mexico Economic Policy Program. From January through March, MEPP made significant advances in key activities. Key achievements for the quarter include: institutionalizing the evaluation of productivity in federal spending program design; improving the transparency, objectivity and relevance of selection criteria used by Mexico's largest SME fund; and re-designing part of Mexico City's business development fund to focus on high-impact entrepreneurs. This section presents technical progress and governance achievements for each of the six governance outcomes established under the MEPP work plan. Wherever relevant, this section also addresses implementation issues that could affect policy impact. Descriptions of all final deliverables completed during the quarter are provided in **Annex 2**.

1. Government funds promote private sector development and productivity

Supporting high impact entrepreneurship in Mexico City

On January 23, MEPP staff met with the Director of FONDESOC, the Mexico City government fund supporting micro and small enterprises. MEPP has been working with the city to focus the fund on high-impact entrepreneurs. MEPP completed the first phase of technical assistance in December 2013. The Director informed us that FONDESOC's Technical Council had reviewed and endorsed the changes proposed by MEPP. He also affirmed that USAID resources effectively supported a major improvement in economic governance.

One of MEPP's recommendations to FONDESOC was the creation of an information capture platform and the design of an algorithm to systematize resource allocation and reduce credit risk. On January 30, MEPP introduced FONDESOC officials to staff from PricewaterhouseCoopers, the firm that MEPP selected to develop these tools.

On February 24, the Director informed MEPP staff that thanks to its technical assistance, FONDESOC has begun to reform key rules of operation based on research, consultations and proposals developed by MEPP. The modifications, which are expected to be published in the city's *Gaceta Oficial* in May, will enhance the efficiency and transparency of resource allocation, and will establish high-impact entrepreneurship as a strategic objective of Mexico City's Secretariat for Economic Development.

Enhancing the impact of INADEM programs

In February, MEPP finished the first phase of technical assistance to improve the evaluation of proposals that apply for funding from the National Entrepreneurship Institute. INADEM currently provides funding to SMEs and entrepreneurs through 24 *convocatorias* (requests for proposals/RFPs) with a total 2014 budget of approximately 7.5 billion pesos (USD \$580 million).

MEPP assistance resulted in extensive modifications of written guidelines used by evaluators to assess the financial, technical and business viability of projects that SMEs and entrepreneurs submit for INADEM support.

MEPP's work significantly improved the guidelines in several ways: ensuring coherence between evaluator guidance and formal requirements stated in the RFPs; eliminating repetitive text and standardizing certain evaluation criteria to be used in all RFPs; and incorporating international best practices and lessons learned from last year's experience. To produce the modified guidelines, MEPP policy analysts consulted directly with INADEM staff and members of the National Evaluator System (SNE by its Spanish acronym), whose feedback and experience helped ensure that new guidance is clear, coherent and feasible.

MEPP submitted its recommendations for modified guidelines on 22 of the 24 *convocatorias*. Of those 22, INADEM has officially approved 12, and is reviewing the remaining 10. The adoption of the guidelines represents a major achievement in governance improvement, as INADEM evaluators will allocate resources from Mexico's largest SME development fund in a more effective and transparent manner. The next phase of MEPP assistance will assess the SNE and produce both policy proposals and capacity-building mechanisms to strengthen the performance of evaluators.

Promoting productivity in public sector programs

On January 28, MEPP staff participated in an inter-agency meeting to determine next steps to institutionalize a productivity assessment tool for Mexican federal spending programs that is being developed by the Economic Productivity Unit (EPU - SHCP) with MEPP technical assistance. At the meeting, representatives from SHCP, the National Evaluation Council (CONEVAL), and the Ministry of Public Administration (SFP) agreed to include the evaluation mechanism in the Guidelines for Budget Program Evaluation (*Lineamientos para la Evaluación de Programas Presupuestales*) which inform the government's assessment of major spending programs. The officials agreed to pilot the guidelines in ten selected programs to evaluate the questionnaire's clarity and effectiveness. Federal approval of the guidelines represents significant progress in the institutionalization of productivity criteria in federal spending decisions.

On February 14, MEPP staff met with the EPU to review an electronic self-assessment system for carrying out the "Questionnaire to evaluate the alignment of program design with objectives of the Democratization of Productivity Program." At the meeting, staff from SHCP's Business Solution unit (IT) presented the electronic platform for the questionnaire and received feedback from MEPP and SHCP staff on how to make the application more interactive and easier for users to understand. As a result of USAID/MEPP funding and technical work, on February 21 SHCP issued a directive to chief financial officers (*Oficiales Mayores*) in key federal agencies that operate budgeted programs. The directive identifies 36 programs as candidates to pilot the productivity evaluation tool starting in March. The governance impact of MEPP's

work is significant because SHCP is legally empowered to assess the economic impact of federally budgeted programs.

On March 4, SHCP hosted a workshop to formally launch the productivity evaluation mechanism. The workshop was attended by over 100 officials representing eleven ministries and federal agencies that will be responsible for piloting the evaluation over the next two months. In his opening remarks, EPU Director Abraham Zamora emphasized the central role of productivity in Mexico's 2012-2018 National Development Plan, and thanked USAID for its support in producing an innovative evaluation tool that will enable the Mexican government to allocate public sector financial resources more effectively.

On March 11, MEPP staff met with the analytical director of the EPU to plan next steps for implementing the productivity assessment. The EPU requested MEPP technical assistance to (1) develop a survey for the productivity assessment tool to provide users' insight about usefulness and functionality; and (2) obtain third party assessments of responses from each spending program in order to qualify assessments with an objective and expert perspective.

2. Businesses face fewer obstacles to growth

Streamlining municipal procedures affecting business operations

On January 16, MEPP presented the launch of a survey on municipal obstacles to businesses at the annual meeting of directors of Coparmex, a major Mexican business association. The survey will be administered to Coparmex members (mostly business owners) throughout the country. Findings will inform a MEPP report that provides data on experiences and opinions of business owners about the role of local, state and federal government in business start-up and operations, as well as proposals for reforms that reduce costs and improve accountability.

3. Competition is improved

Strengthening the institutional capacity of economic regulators

On January 31 the Federal Economic Competition Commission (CFCE) presented its Strategic Plan for 2014-2017. The Plan was developed with MEPP technical assistance from November 2013 through January 2014, and will broadly define the priority areas of the Commission's work plan. The work program establishes: 1) the Commission's vision and objectives over the next four years; 2) Strategic outcomes related to creating a "culture of competition" and becoming a state-of-the-art institution; and 3) Policies and institutional practices to improve CFCE's capacity to enforce the law. CFCE will present its final multi-annual work plan to the President and the Congress in the next quarter.

Regulating digital government

As discussed under the activity update on Mobile Applications Development below, *Presidencia* requested MEPP technical assistance to review current Mexican practices on acquisition of digital services and to propose actions that allow governmental organizations to procure such services from small and innovative firms. The procurement study will serve two objectives: in the short-term, to ensure that application ownership resulting from the *Retos Públicos* project is transferred to the participating agency, and in the long-term, to effect changes to current regulations to increase SME participation in digital services procurement.

Compliance assessment for technical standards

MEPP is working with the General Directorate of Norms to evaluate current practices in the conformity assessment process for technical standards. Once this evaluation is ready, the second phase of MEPP support will result in the design of public policy measures to close the gaps identified in the earlier research phase. During March, the MEPP team turned in the first deliverable (*Análisis y Diagnóstico del Sistema de Evaluación de la Conformidad*), a review of laws, regulations, international agreements, and other studies that were inputs for the evaluation of the legal framework governing the conformity assessment process. The most important topics covered included: the concept of conformity assessment, background of conformity assessment in Mexico, private sector involvement in the system of conformity assessment in Mexico, essential elements in the conformity assessment process, types of conformity assessments, role of organizations in charge of supervising the conformity assessment process. Main findings, which will be presented to the General Director in April, include:

- Mexico's legal framework for conformity assessment is compatible with international standards (transparency, public consultation, representativeness).
- The current framework lacks:
 - guidelines that group the procedures that agencies must follow in order to enforce the conformity assessment;
 - consistent criteria among agencies to determine when standards require a conformity assessment process; and
 - a compendium of authorized organizations to perform a conformity assessment.
- Many public sector organizations fail to leverage their legally established authority to perform more effective conformity assessment procedures.

NOTE: This activity has been put on hold by the General Directorate until future notice. See Section B below.

4. SMEs have greater access to private capital

Reducing barriers to entry in the Mexican stock market

On March 14, MEPP staff met with Enrique Perret, Chief of Staff of the National Banking and Securities Commission, to present progress in the activity “Reducing barriers to entry in the Mexican stock market.” MEPP researchers presented data that illustrated Mexico’s underdevelopment relative to comparable developing countries in terms of stock market capitalization, number of listed companies and number of operations. The research included a series of hypotheses that might explain why the Mexican stock market is lagging. The hypotheses were related to factors such as investor protection (e.g., lack of rights and vulnerability to insider trading or brokerage manipulation), competition (e.g., barriers to entry for new firms) and diversification (e.g., alternative stock markets focusing on regional or sectoral niches). CNBV staff stated that the findings were significant, requested further research into specific hypotheses, and indicated that the research could provide key inputs into the Commission’s future public policy proposals.

5. Business transactions are more efficient and reliable

Improving the system for secured transactions

On January 29, MEPP staff met with the General Director for Commercial Regulation (Ministry of Economy) to launch MEPP technical assistance to improve the operational effectiveness of the Consolidated Guarantee Registry (RUG). MEPP staff explained that an initial meeting with federal judges overseeing commercial and contractual disputes revealed that the RUG, which should enable creditors to claim assets of debtors in a reliable manner, is essentially unknown and unused in judicial proceedings. While the judges were unfamiliar with the registry, they indicated that it would be very useful to them in reaching verdicts. MEPP and Ministry of Economy staff agreed that a promotional campaign – including capacity-building events and a user guide – would help ensure the effective implementation of operational improvements, and that MEPP could support such efforts in a subsequent stage.

6. Citizens have greater access to public information

Mobile Applications Development

i. Presidencia / Retos Públicos

On January 27, MEPP staff met with the Director General of Digital Innovation (Office of the Presidency) to establish a collaboration mechanism to develop mobile applications to increase government transparency and incentivize citizen participation in the policy-making process. *Presidencia* will lead a project called *Retos Públicos* (Public Challenges) in which selected government agencies identify a specific problem (or opportunity) that can be addressed

through mobile applications. *Presidencia* --- possibly in collaboration with a third party – will identify and select the most promising mobile application proposals, which would then be reviewed by an evaluation committee composed of representatives of relevant government agencies. Winning proposals will be developed into applications using MEPP or other financial resources.

During the first week of February, Abt Associates’ Client Technology Center carried out a series of interviews with Mexican business representatives, NGOs and government organizations and produced preliminary recommendations for MEPP to support the development of mobile applications that increase citizen access to public information and promote civic knowledge of and participation in the policy-making process. The recommendations include a roadmap for supporting three application development processes, one of which is *Retos Públicos*.

On March 19, MEPP issued a Request for Proposals to contract professional services for *Retos Públicos*. The selected contracting organization will be in charge of revising and proposing changes to the *Retos Públicos* project design and each of the five “challenges” (competitions that are open to the public) that will be carried out by *Presidencia* throughout 2014. The organization will also design and develop a management platform that will be hosted in the federal government portal www.datos.gob.mx after MEPP closes out, maintain communication with all actors involved in the competitions, and help evaluate and select winners for each challenge. MEPP support will enable the National Digital Strategy office to implement the challenges that will lead to the creation of applications that increase transparency for citizens.

ii. Mexico City / Laboratorio para la Ciudad

MEPP staff met with officials from Laboratorio para la Ciudad (Mexico City’s technology center, also known as LabPLC), within Mexico City’s Agencia de Gestión Urbana (Urban Management Agency) which promotes innovation and citizen participation. LabPLC requested technical assistance in three areas. The first is to help design an open data law for Mexico City, which would require agencies to make certain public sector data accessible to citizens (including application developers). The second area of assistance is support for an ongoing partnership between the US-based NGO Code for America and LabPLC which: 1) provides capacity building for open data management by sponsoring programmer residencies within selected Mexico City agencies, and 2) sponsor applications in line with MEPP’s objectives that have been developed throughout the first year of collaboration. The third (and longer-term) request for assistance is to implement “Ciudad Propuesta,” the City’s initiative for application development. This activity involves the development of a mechanism to consolidate and analyze data (mainly from Locatel, an information phone service that will make available data of citizens’ information needs), select ideas or proposals with clear governance outcomes, and provide resources for mobile application development.

B. COUNTERPART CONSULTATIONS AND PROGRAMMATIC ISSUES

Strategic Meeting with Presidencia and SFP

On March 11, the MEPP team met with officials from *Presidencia* (including the Chief Technology Officer) and the Digital Government Unit from the Ministry of Public Administration (SFP) to review several ongoing and proposed USAID-funded technical assistance activities. The meeting was significant because it formalized USAID's key role not only in supporting several important activities prioritized by the federal government, but also as a key institutional partner in the government's ambitious national digital strategy. The following table summarizes the meeting.

Location	<ul style="list-style-type: none"> Office of Presidencia's Chief Information Officer
Date	<ul style="list-style-type: none"> March 11
Attendance	<ul style="list-style-type: none"> Victor Lagunes – Presidencia's Chief Information Officer Yolanda Martínez – Head of Digital Government Unit (SFP) Ania Calderón – Presidencia's General Director for Digital Innovation Guillermo Ruis de Teresa – Presidencia's General Director for Citizen participation MEPP – Tim Kessler, Narciso Suárez, Ramiro Nava & Gilberto Lozano
Background	<ul style="list-style-type: none"> One of the federal government's most important initiatives is the development and implementation of a "National Digital Strategy" (NDS) to make more government data more accessible to citizens and businesses. This strategy is led by the Presidencia (Office of the Presidency) and the Ministry of Public Administration (SFP) MEPP is currently involved in several NDS initiatives: Empresa al Instante, Digital Government forum, digital services procurement, Retos Públicos, E-Commerce). See Annex for a complete list of projects and their status.
Purpose of meeting	<ul style="list-style-type: none"> Discuss the status of each of the initiatives that are underway Obtain feedback from government counterparts Find potential synergies among projects Prioritize and define steps for the following months
Agreements	<ul style="list-style-type: none"> There is an ongoing project between INADEM and the Undersecretary for Industry and Commerce to develop e-commerce in Mexico. It was agreed that MEPP could build upon what these institutions are already doing. MEPP and Presidencia agreed to evaluate the feasibility of consolidating two proposed forums on digital government. MEPP shared a summary of all its activities after the meeting to inform NDS of the scope of the Program and create opportunities for synergies with future NDS initiatives

Temporary work stoppage on technical standards compliance assessment. On March 31, Abt put a hold on work related to the Conformity Assessment for Technical Standards, based on a March 28 e-mail exchange with the General Directorate for Business Regulation, Ministry of Economy. The counterpart indicated concern that the MEPP expert consultants working on the

activity might have a conflict of interest with the General Directorate for Business Regulation. The counterpart has worked with the MEPP-hired lawyers for several months and has expressed satisfaction with work to date. Furthermore, to date we have no evidence that there is any conflict-of-interest. However, we have issued a stop-work notice to our expert consultants until further notice. The COR has been informed of the issue at hand. We will inform USAID when we have any additional information.

C. CONCLUSION

The halfway point in FY 2014 corresponds to almost one year of MEPP operations. In that time, the Program has established exceptional relations with Mexico's most important economic governance and private sector development institutions, including the Ministry of Finance, the Ministry of Economics, the National Entrepreneurship Institute, the National Science and Technology Commission, the Federal Economic Competition Commission and Mexico City's economic development secretariat. MEPP has already made significant impacts on governance within these institutions, especially in the area of program and proposal evaluation. More importantly, MEPP is well-positioned to build on and deepen these impacts during the second half of FY 2014.

ANNEX 1: Activity Summary Matrix

<ol style="list-style-type: none"> 1. Developing selection criteria for commercial viability of innovative firms 2. Supporting high impact entrepreneurs in Mexico City 3. Evaluating the impact of INADEM programs 4. Promoting productivity in public sector programs 5. Understanding and replicating regional technology sector innovation cluster 6. Creating opportunities for local suppliers in global value chains 	<ol style="list-style-type: none"> 1. Understanding and streamlining municipal procedures affecting business operations 2. Assessing online business procedures 3. Understanding obstacles to high impact entrepreneurship 	<ol style="list-style-type: none"> 1. Reforming state government procurement of public works 2. Strengthening the institutional capacity of the Federal Competition Commission 3. Regulating digital government 4. Improving the compliance assessment of technical regulations (NOMs) 	<ol style="list-style-type: none"> 1. Reducing barriers to entry in the Mexican stock market 2. Increasing access to equity for SMEs 	<ol style="list-style-type: none"> 1. Reforming bankruptcy procedures 2. Improving the system for secured transactions 3. Improving contract enforcement through oral trials 4. Increasing financial inclusion by reducing cash-based transactions
Government funds effectively promote private sector development and productivity	Businesses face fewer obstacles for growth	Competition is improved	Regulatory reform improves SME access to private capital	Business transactions are more efficient and reliable
Beneficiaries of GOM spending programs increase product, growth or value added	Costs or time to start up or operate a business are reduced	Prices of goods or services are reduced, or quality and choice are increased	SMEs obtain a higher proportion financing through private capital	Higher volume and number of formal commercial transactions among SMEs
Mobile Applications Citizens have greater access to public information and participate in public policy design				

ANNEX 2: Deliverable Datasheets

Title of Deliverable	Activity Name
<p>Project Evaluation in the National Entrepreneurship Fund proposals <i>(Evaluación de los Proyectos Postulantes en las Convocatorias del Fondo Nacional Emprendedor)</i></p> <p>1</p>	Evaluating the impact of INADEM programs
Abstract	Counterpart
<p>Context: INADEM's SME Fund (Fondo PYME) has no robust impact evaluations of its proposals.</p> <ul style="list-style-type: none"> The deliverable identifies that even though each call for proposals is unique, certain criteria can be evaluated in a standardized way. <ul style="list-style-type: none"> For the most common sections general and specific standardized questions are created to improve the proposal's technical evaluation The deliverable presents results of interviews to evaluators and applicants. Proposals are classified in terms of the type of evaluation required and evaluation guides are provided. <p>Keywords: Fondo PYME, SME</p>	National Entrepreneurship Institute (INADEM)
	MEPP Partner/ Author
	C230
	Date
	February 2014

Title of Deliverable	Activity Name
<p>Legal framework and national context diagnosis of Mexico's compliance assessment <i>(Diagnóstico del marco legal y del contexto nacional que actualmente rige a la evaluación de la conformidad en México)</i></p> <p>1</p>	<p>Improving the compliance assessment of technical regulations (NOMs)</p>
Abstract	Counterpart
<p>Context: Certain products must comply with technical standards governing consumer safety, environmental protection, quality, etc.; however, the process to ensure compliance is discretionary and incomplete, and there are insufficient inspectors.</p> <ul style="list-style-type: none"> The analysis and diagnosis of compliance assessment in Mexico reveals that: <ul style="list-style-type: none"> No comprehensive catalog that groups procedures by agency exists, making it difficult to know which procedures are currently in force. There is no standard criteria for competent agencies to identify instances where a NOM requires a compliance assessment or proof of compliance. There is no catalog or compendium of accredited and approved organisms that assess NOM's compliance. Some agencies do not use compliance assessment schemes in accordance to the Federal Law on Metrics and Standardization (LFMN) and its guidelines. <p>Keywords: technical regulations, product certification</p>	<p>Ministry of Economy (SE)</p>
	<p>MEPP Partner/ Author</p>
	<p>Abt / DGN</p>
	<p>Date</p> <p>March 2014</p>

Title of Deliverable	Activity Name
<p>Stock market in México: measures to increase its depth <i>(Mercado de valores en México: Medidas para aumentar su profundización)</i></p> <p>1</p>	<p>Reducing barriers to entry in the Mexican stock market</p>
Abstract	Counterpart
<p>Context: The Mexican stock market is stagnated and has high barriers to entry</p> <ul style="list-style-type: none"> To increase the depth of the stock market supply side efforts include increasing capital availability and the number of funds and on increase the demand of IPO's, emissions, and use of more sophisticated instruments such as hedge funds . The report focuses on three mechanisms to reduce barriers to entry: investor protection, greater competition and market diversification. <p>Keywords: stock market, equity, market diversification , investment</p>	<p>National Securities and Banking Commission (CNVB)</p>
	<p>MEPP Partner/ Author</p>
	<p>IMCO</p>
	<p>Date</p>
	<p>March 2014</p>